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Statement to the UNCTAD Shipping Committee on Open-Registry Fleets

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Mr. Chairman,

I am happy to briefly address this important meeting. In appearing today, I bring you greetings from the World Council of Churches, especially from the Churches Commission on International Affairs. The WCC, as you know, Mr. Chairman, is a fellowship of churches bringing together some three hundred churches from over one hundred countries of the world.

We are here today to address the question of the open registry system. You will recall that last year Ms. Barbara Rogers addressed this meeting on our behalf also speaking to the same question.

Mr. Chairman, action on the question of open registries is wider than the economic and technical aspects involved. It concerns the whole question of the development of shipping with due regard of international law and the resolutions of the United Nations, resolutions supported by large majorities of the member-States.

As is well known, the World Council of Churches has a special concern about racial injustice, and of course a priority issue with us here is that of apartheid in South Africa, as well as the illegal occupation of Namibia by South Africa. The recent meeting of the World Council's Central Committee in Geneva last year called for a reaffirmation of the commitment to oppose apartheid, including the need to "support sanctions against South Africa" and to press for the implementation of international law to resolve the confrontation over Namibia.

It is for this reason that we wish to speak in this Committee about the role of Flags of Convenience in frustrating the implementation of United Nations decisions on trade with South Africa and Namibia. Specifically, we would like to remind the distinguished delegates here of three decisions.

The first is the arms embargo against South Africa, which was imposed by a mandatory Resolution 418 under Chapter VII of the United Nations Charter, by the Security Council. As recent press reports have made
clear, there have been multiple violations of the arms embargo, with a particular problem being the illicit shipment of weapons to South Africa - and until recently to the illegal regime in Rhodesia, using a variety of indirect routes. Although it is not only flag-of-convenience vessels which are involved, this open-registry system makes it extremely difficult to conduct a monitoring exercise through governments, as is the normal procedure with United Nations resolutions.

The second important decision is the General Assembly resolution, No. 34/93 of 1979, as well as previous Assembly resolutions calling for an oil embargo against South Africa. This is of course related to the arms embargo because of the vital importance of oil supplies to the military offensive currently under way against the resistance in Namibia, and the vicious attacks on refugee camps and the local population of Angola, Zambia and Mozambique. The oil embargo resolution specifically refers to the role of shipping, requesting all States to enact legislation prohibiting:

- "The shipment in vessels or aircraft of their registration, or under charter to their nationals, of any petroleum or petroleum products to South Africa."

And similarly:

- "The provision of facilities in their ports or airports to vessels or aircraft carrying petroleum or petroleum products to South Africa."

Additionally the UN General Assembly by a 123 to 7 vote passed on 16 December 1980 a resolution again calling for an oil embargo. This resolution urges States to effect legislation individually or collectively which would include:

a) Prohibition of transport to South Africa of all crude oil or oil products, wherever they originate;

b) Action against companies or individuals who supply or transport crude oil or oil products to South Africa, and;

c) Seizure of tankers owned by their nationals or registered in their countries which are used to transport oil or oil products to South Africa.
Finally, I need hardly remind distinguished delegates of the illegality of any shipments leaving Namibia, almost all of it through the port of Walvis Bay - which South Africa claims to have annexed, but which the United Nations has clearly stated to be an integral part of Namibia. Decree No. 1 of the General Assembly declares it to be illegal to ship or otherwise transport minerals, or other natural resources, out of Namibia, and allows for the seizure of ships and their cargoes. These are, in effect, stolen goods. The Decree is binding in international law since, according to the Advisory Opinion of the International Court of Justice in 1971, the General Assembly is legally responsible for Namibia, and South Africa's occupation is declared a violation of international law. Recent hearings of the United Nations Council for Namibia in New York laid particular stress on the illegal removal of uranium from the Rossing mine in Namibia, and these and other shipments will be the focus of increasing attention from the United Nations.

I would request the indulgence of this Committee for the opportunity to present a few examples of how flags of convenience are used to evade the decisions of governments, as expressed in General Assembly votes. We know, for example, that the South African Government itself owns oil tankers which are registered under flags of convenience. We would make a special appeal to Panama to review this connection with South Africa, particularly in the light of the General Assembly resolutions on the oil embargo.

Last year, in our statement to the UNCTAD Shipping Committee, we named a number of tankers that delivered oil to South Africa and were registered in open registry countries.

This time we could name a number of other tankers. But I would rather give you a brief statistical overview of "flag of convenience" - tankers, calling at South Africa in 1979 and 1980.

Of the 234 medium and large size tankers, currently identified by the Shipping Research Bureau in Amsterdam, which have called at the main South Africa oil importing ports, 91 tankers, or
almost 40% of the total number, were registered in countries with open registry. Of course, not all of these tankers will have delivered oil to South Africa, but many have done so, and a number of concerned governments are now investigating which tankers did deliver oil, and where that oil came from.

If all these "flag of convenience" tankers delivered a full cargo of oil, they would have supplied about half of South Africa's oil needs in the mentioned period.

Mr. Chairman, we again make an appeal to Liberia to review the registration of tankers, registered in Liberia, and calling at South Africa. According to the findings of the Shipping Research Bureau in 1979 and 1980, there were at least 65 occasions when Liberian registered tankers with over 25,000 dwt tons deathweight called at South Africa. The Bureau also notes that the Panamanian flag appeared more than 10 times on tankers calling at South Africa in the mentioned period. Both Liberia and Panama voted in favour of UN resolutions 34/93 and the more recent resolution of December 1980.

It is, however, important to note that other flags are also involved in tanker movements to South Africa. The continuing work of the Shipping Research Bureau in Amsterdam has shown that, amongst others, tankers registered in Norway, the United Kingdom and Greece are also particularly involved and have made numerous calls at South Africa.

Transparency/ Accountability

Since at least the beginning of 1979, almost all oil producing countries have embargoed the supply of their oil to South Africa. But to make this embargo effective, knowledge is needed of the deliveries of oil to South Africa. However, everything about this delivery is secret: the identity of the tankers (their names are often painted out), the owners, managers and charterers, and the place where the oil comes from. The existing system of open registry ships makes it even more difficult for countries that detect the embargo being broken, to identify the true owners and managers, and to effectively apply their various legislation.
This is particularly the case since operators of open registry ships frequently change the vessel's name and the name of the registered owner.

There is a growing feeling, among government and non-governmental organisations, throughout the world, that the use of flags of convenience to cover illicit dealings with South Africa and Namibia is one which needs urgent attention - UNCTAD is one forum for such action.

In early May this year, for instance, a bill was introduced in the Danish Parliament which reads:

"The Danish Parliament calls on the Government to introduce a bill of embargo on oil exported from the Danish part of the North Sea to South Africa and an embargo on oil and oil products being transported on board Danish ships registered in Denmark or under flags of convenience to South Africa."

No longer is the mood one of waiting for multilateral steps. Steadily, countries are moving to act unilaterally. We at the World Council of Churches salute this trend.

Mr. Chairman, only two days ago, the UN/OAU International Conference on Sanctions Against South Africa, attended by governments and non-governmental organisations from all over the world, concluded its week's deliberations. Based on a unanimously shared perception that the racist regime of South Africa is a grave danger to international peace and security, the Conference called upon all "countries supplying oil or refined oil products to South Africa to join in implementing the oil embargo against South Africa through legislative enforcement measures or appropriate policy directives." Further the Technical Commission of the Conference urged:

"That all States ensure that they have effective legislation and carry out any necessary further measures to prohibit tankers which sail under their flags, or are ultimately owned, managed or chartered by their or other nationals, from calling at South Africa, and that States take action against tankers and/or their owners, managers or charterers if they violate such regulations. The Commission urgently appealed to Governments
and shipping companies to end the abuse of "flags of convenience" which enable vessels to supply oil, arms and other strategic commodities to South Africa without the possibility of any effective national control of such traffic."

In the light of this request, and also given the increasing difficulty of monitoring shipping movements to and from South Africa and Namibia through the normal commercial channels, we should like today, to put a special challenge before this committee. Is it possible for this Committee to recommend to the United Nations General Assembly an effective system of monitoring and implementing the relevant General Assembly and Security Council resolutions on South Africa and Namibia, as regards to open-registry fleets? In other words, can the open registry traffic to South Africa be ended? Mr. Chairman, each day more suffering and death occurs in Southern Africa, particularly in South Africa, as a result of the South African regime of racism, repression and terrorism. This reality should impel us to action.

We are most grateful, Mr. Chairman, to have made this statement on this issue.

We thank you.